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FINANCIAL REPORT

TOWN OF BLUE SPRINGS

BLUE SPRINGS, MISSISSIPPI

YEAR ENDED SEPTEMBER 30, 2019

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Mayor and Board of Aldermen
Town of Blue Springs, Mississippi

We have applied certain agreed-upon procedures as discussed below, to the accounting records of the Town of Blue Springs, Mississippi, as of September 30, 2019, and for the year then ended, as required by the Office of the State Auditor, under the provisions of Section 21-35-31, Mississippi Code, 1972, Annotated. This report is solely for the use of the governing body of the Town of Blue Springs, Mississippi and the Office of the State Auditor. However, this report is a matter of public record, and its distribution is not limited. Our procedures and findings are as follows:

- A. We reconciled cash on deposit with the following bank to balances in the respective general ledger accounts and obtained confirmation of the related balances from the bank:

| <u>Bank</u> | <u>Fund</u> | <u>Balance per General Ledger</u> |
|---------------|-------------|---------------------------------------|
| BNA Bank | General | \$ 47,077 |
| BNA Bank | Special | 200 |
| Bancorp South | Special | 1,881 |

- B. The Town of Blue Springs owned no securities held for investment at September 30, 2019.
- C. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
1. Verified use of certified county assessment rolls and traced levies to governing body minutes.
 2. Examined uncollected taxes for proper handling, including tax sales;
 3. Traced distribution of taxes collected to proper funds; and
 4. Analyzed increase in taxes for most recent period for compliance with increase limitations Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

The distribution of taxes to funds was found to be in accordance with prescribed tax levies, and uncollected taxes were determined to be properly handled.

Ad valorem tax collections were found to be within the limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

- D. We obtained a statement of payments made by the Mississippi Department of Finance and Administration to the town. The payments were traced to deposits in the bank and recorded in the general ledger without exception. Cash receipts were as follows:

| Purpose | Receiving Fund | Amount |
|----------------------------|----------------|----------|
| Fire Protection Allocation | Fire | \$ 1,346 |
| Gasoline Tax | General | 684 |
| General Municipal Aid | General | 114 |
| Homestead Exemption | General | 241 |
| Sales Tax Allocation | General | 21,621 |
| TVA in Lieu of Taxes | General | 3,162 |

- E. We selected a sample of purchases made by the municipality during the year. Each sample item was evaluated for compliance with public purchasing requirements set forth in Sections 31-7-1, 31-7-13, 31-7-49, and 33-7-57, Mississippi Code, 1972, Annotated, as applicable.

The sample consisted of the following:

| | |
|------------------------|-----------|
| Number of sample items | 44 |
| Dollar value of sample | \$ 33,049 |

We found the Town's purchasing procedures to be in compliance with the above sections except as follows: we found seven instances in the sample selected that the municipality failed to provide an invoice to substantiate that the purchase met the purchasing requirements mentioned above.

- F. We selected a sample of collection of fines and forfeitures and verified that the municipal court clerk had settled daily with the municipal clerk. We also selected a sample of state imposed court assessments collected and determined that the municipal clerk had settled monthly with the Department of Finance and Administration.

We found the municipality's collection of fines and forfeitures to be in agreement with the requirements of the above mentioned sections.

- G. We have read the Municipal Compliance Questionnaire completed by the town. The completed survey indicated no instances of noncompliance.

Because the above procedures do not constitute an audit conducted in accordance with generally accepted auditing standards, we do not express an opinion on any of the accounts or items referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe that the specified accounts or items should be adjusted. Had we performed additional procedures or had we conducted an audit of the financial statements in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you. This report relates only to the accounts and items specified above and does not extend to any financial statements of the Town of Blue Springs, for the year ended September 30, 2019.

This report is intended solely for the use of the Office of the State Auditor, State of Mississippi, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Lindsey, Davis + Associates
Lindsey, Davis and Associates
Certified Public Accountants

Ripley, Mississippi
August 27, 2020

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Board of Aldermen
Town of Blue Springs, Mississippi

Management is responsible for the accompanying statement of cash receipts and disbursements (all funds)-cash basis of the Town of Blue Springs, Mississippi, as of and for the year ended September 30, 2019 in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures ordinarily required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the Town's cash receipts and disbursements. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Required Supplementary Information

Management has omitted the management's discussion and analysis information that is required to be presented for purposes of additional analysis. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

The supplementary information contained on pages 8, 9 and 10 is presented for purposes of additional analysis and has been compiled by us from information that is the representation of management of the Town of Blue Springs, Mississippi, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on such supplementary information.


Lindsey, Davis and Associates
Certified Public Accountants

Ripley, Mississippi
August 27, 2020

TOWN OF BLUE SPRINGS, MISSISSIPPI
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (ALL FUNDS)-CASH BASIS
YEAR ENDED SEPTEMBER 30, 2019

| | GOVERNMENTAL FUND TYPE | | TOTALS (MEMORANDUM ONLY) | |
|-------------------------------------|------------------------|----------|-----------------------------|------------|
| | GENERAL | SPECIAL | 2019 | 2018 |
| REVENUE RECEIPTS | | | | |
| General Property Taxes | \$ 11,460 | | 11,460 | \$ 9,967 |
| Prior Year Taxes | | | | 21 |
| Licenses and Permits | 140 | | 140 | 20 |
| Court Fines and Fees | 16,059 | | 16,059 | 21,701 |
| Intergovernmental Revenues: | | | | |
| State Shared Revenue: | | | | |
| Sales Tax | 21,621 | | 21,621 | 26,153 |
| Homestead Exemption | 241 | | 241 | 229 |
| TVA in Lieu of Taxes | 3,162 | | 3,162 | 3,046 |
| General Municipal Aid | 114 | | 114 | 114 |
| Gasoline Tax | 684 | | 684 | 684 |
| Fire Protection | | 2,691 | 2,691 | 1,301 |
| County Shared Revenue: | | | | |
| Road and Auto Taxes | 3,545 | | 3,545 | 2,970 |
| Public Utilities | 15 | | 15 | 1,270 |
| Other Receipts: | | | | |
| Interest Earned | 33 | | 33 | 38 |
| Miscellaneous | 5,839 | 2,146 | 7,985 | 241 |
| Grant Income | 3,869 | | 3,869 | 14,528 |
| Land Sale | 823 | | 823 | 953 |
| TOTAL OPERATING RECEIPTS | 67,605 | 4,837 | 72,442 | 83,236 |
| Cash Balance- Beginning of the Year | 74,862 | 877 | 75,739 | 70,272 |
| TOTAL AMOUNT TO ACCOUNT FOR | \$ 142,467 | \$ 5,714 | \$ 148,181 | \$ 153,508 |
| OPERATING DISBURSEMENTS | | | | |
| General Government: | | | | |
| General Government | \$ 63,393 | | \$ 63,394 | \$ 46,902 |
| Municipal Court | 11,707 | | 11,707 | 12,436 |
| Public Safety | | | | |
| Fire | | 3,633 | 3,633 | 1,301 |
| Police | 16,420 | | 16,420 | 12,102 |
| TOTAL OPERATING DISBURSEMENTS | 91,521 | 3,633 | 95,154 | 72,741 |
| OTHER DISBURSEMENTS | | | | |
| Grant Expense | 3,869 | | 3,869 | 5,028 |
| TOTAL OTHER DISBURSEMENTS | 3,869 | | 3,869 | 5,028 |
| TOTAL DISBURSEMENTS | 95,390 | 3,633 | 99,023 | 77,769 |
| Cash Balance- End of Year | 47,077 | 2,081 | 49,158 | 75,739 |
| TOTAL AMOUNT ACCOUNTED FOR | \$ 142,467 | \$ 5,714 | \$ 148,181 | \$ 153,508 |

SEE ACCOUNTANT'S COMPILATION REPORT

TOWN OF BLUE SPRINGS, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
YEAR ENDED SEPTEMBER 30, 2019

The Town of Blue Springs did not owe any long-term debt at September 30, 2019.

TOWN OF BLUE SPRINGS, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR TOWN OFFICIALS
SEPTEMBER 30, 2019

| <u>Name</u> | <u>Position</u> | <u>Surety</u> | <u>Amount</u> |
|-----------------|-----------------|--------------------|---------------|
| Jan Musgrove | Town Clerk | St. Paul Travelers | \$ 50,000 |
| Brandon Clayton | Chief of Police | St. Paul Travelers | \$ 50,000 |
| Shirley Allen | Alderwoman | St. Paul Travelers | \$ 10,000 |
| Rick Bradford | Alderman | St. Paul Travelers | \$ 10,000 |
| Lynda Bramlett | Alderwoman | St. Paul Travelers | \$ 10,000 |
| Andrew Grisham | Alderman | St. Paul Travelers | \$ 10,000 |
| Malcom Leath | Alderman | St. Paul Travelers | \$ 10,000 |
| Rita Gentry | Mayor | St. Paul Travelers | \$ 25,000 |

SEE ACCOUNTANT'S COMPILATION REPORT

TOWN OF BLUE SPRINGS, MISSISSIPPI
SCHEDULE OF INVESTMENTS (ALL FUNDS) - CASH BASIS
SEPTEMBER 30, 2019

The Town of Blue Springs owned no securities held for investment at September 30, 2019.

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ACCOUNTANT'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

Honorable Mayor and Board of Aldermen
Town of Blue Springs, Mississippi

We have compiled the statement of cash receipts and disbursements (all funds)-cash basis of the Town of Blue Springs for the year ended September 30, 2019 and have issued our report dated August 27, 2020. We have conducted our compilation in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA.

As required by the state legal compliance audit program prescribed by the Office of the State Auditor, we have also performed procedures to test compliance with certain state laws and regulations. However, providing an opinion on compliance with state laws and regulations was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of those procedures and our compilation of the cash receipts and disbursements disclosed one instance of noncompliance with the state laws and regulations which is noted in item E in the Independent Accountant's Report on Applying Agreed-Upon Procedures.

This report is intended for the information of the Town's management and the Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.


Lindsey, Davis and Associates
Certified Public Accountants

Ripley, Mississippi
August 27, 2020